IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

INCOME TAX REFERENCE No 134 of 1987

For Approval and Signature:

Hon'ble MR.JUSTICE M.S.SHAH Sd/-
and
Hon'ble MR.JUSTICE D.A.MEHTA Sd/-

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

COMMISSIONER OF INCOME-TAX

Versus

ARVIND MILLS LTD.

Appearance:

1. INCOME TAX REFERENCE No. 134 of 1987
MR BB NAYAK FOR MR MR BHATT for Applicant.
MR MANISH J SHAH for Respondent.

CORAM : MR.JUSTICE M.S.SHAH
and
MR.JUSTICE D.A.MEHTA

Date of decision: 11/09/2001

ORAL JUDGEMENT

(Per : MR.JUSTICE D.A.MEHTA)

The Income Tax Appellate Tribunal, Ahmedabad Bench "A" has referred the following five questions for the opinion of this Court in relation to assessment year 1983-84.

(1) "Whether, reimbursement of medical expenses and house rent allowance to the Managing Directors is to be considered for the purpose of computing the disallowance u/s.40(c) of the Act?"

(2) "Whether, case payment of house rent allowance to employees is to be considered for purpose of computing the disallowance u/s.40A(5) of the Act?"

(3) "Whether, in law and on facts of the case the assessee is entitled to a deduction of Rs.2,50,888/- paid to M/s.MetturBeardsell Ltd. on account of royalty ?"

(4) "Whether, disallowance under Rule 6-D is to be computed by grouping together all the tours undertaken by a person during the year ?"

(5) "Whether, in law and on facts the assessee was entitled to the deduction u/s.80HHC of the Act?"

3 All the five questions have already been answered by us in Income Tax Reference No.286 of 1987 today. For the same reasons we answer each of the question as follows :

4. So far as question No.1 is concerned the first portion is answered against the assessee and the second portion against the revenue. So far as question No.2 is concerned the same is answered in the Negative i.e. in favour of the assessee and against the revenue. The third question is answered in the affirmative i.e. in favour of the assessee and against the revenue. In so far as question No.4 is concerned the same is answered in the negative i.e. in favour of the revenue and against the assessee. As far as question No.5 is concerned the same is answered in the affirmative i.e. in favour of the assessee and against the revenue.

5. The Reference stands disposed of accordingly with no order as to costs.

Sd/- Sd/-
(M.S.Shah, J) (D.A.Mehta,J)

m.m.bhatt